

Adopted	Rejected
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COMMITTEE REPORT

YES:	13
NO:	0

MR. SPEAKER:

*Your Committee on Agriculture, Natural Resources and Rural Development, to which was referred Senate Bill 456, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill **be amended** as follows:*

- 1 Page 2, after line 15, begin a new paragraph and insert:
- 2 "SECTION 2. IC 15-4-10-7 IS AMENDED TO READ AS
- 3 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 7. As used in this
- 4 chapter, "market development" means:
- 5 (1) to engage in research and educational programs directed
- 6 toward increased utilization of corn;
- 7 (2) to provide methods and means, including but not limited to
- 8 public relations and other promotion techniques, for the
- 9 maintenance of present markets for corn;
- 10 (3) (1) to provide for the development of new or larger domestic
- 11 and foreign markets for corn; and
- 12 (4) to work toward the prevention, modification, or elimination of
- 13 trade barriers that obstruct the free flow of corn;
- 14 (2) to promote the production and marketing of renewable

1 fuels and new technologies that use corn; and
 2 **(3) to access federal government monies available to the state**
 3 **to further the market development activities described in**
 4 **subdivisions (1) and (2).**

5 SECTION 3. IC 15-4-10-11.5 IS ADDED TO THE INDIANA
 6 CODE AS A NEW SECTION TO READ AS FOLLOWS
 7 [EFFECTIVE JULY 1, 2001]: **Sec. 11.5. As used in this chapter,**
 8 **"unit" means eighty thousand (80,000) kernels.**

9 SECTION 4. IC 15-4-10-12 IS AMENDED TO READ AS
 10 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 12. (a) The Indiana
 11 corn marketing council is established.

12 (b) The council shall be composed of fifteen (15) members. ~~who~~
 13 **The elected members from districts listed under section 16(a) of**
 14 **this chapter** must be:

- 15 (1) ~~citizens of~~ **registered voters in** Indiana;
- 16 (2) at least eighteen (18) years of age; and
- 17 (3) producers.

18 (c) Each **elected** member of the council must reside in the district
 19 identified in section ~~16~~ **16(a)** of this chapter from which the member
 20 was elected.

21 (d) Each member of the council is entitled to reimbursement for
 22 traveling expenses and other expenses actually incurred in connection
 23 with the member's duties, as provided in the state travel policies and
 24 procedures established by the department of administration and
 25 approved by the state budget agency. However, council members are
 26 not entitled to any salary or per diem.

27 SECTION 5. IC 15-4-10-13 IS AMENDED TO READ AS
 28 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 13. (a) The term of
 29 office of ~~a~~ **an elected or appointed** council member is three (3) years.
 30 A member's term of office expires at the end of the final marketing year
 31 in the term. However, a member continues in office until a successor
 32 who meets the qualifications set forth in section 12(b) of this chapter
 33 is elected.

34 (b) ~~A~~ **An elected or appointed** council member may not hold office
 35 for more than ~~two (2)~~ **three (3)** consecutive full terms.

36 SECTION 6. IC 15-4-10-14 IS AMENDED TO READ AS
 37 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 14. (a) If ~~a~~ **an elected**
 38 member of the council ceases to meet one (1) or more of the

1 qualifications set forth in section 12(b) of this chapter, the member's
2 term of office terminates and the member's office becomes vacant.

3 (b) When ~~a~~ **an elected** council member's office becomes vacant
4 before the expiration of the member's term of office, the council shall
5 fill the vacancy by appointing a replacement member who meets the
6 qualifications set forth in section 12(b) of this chapter. The appointee
7 shall serve for the remainder of the unexpired term.

8 (c) **When the office of a council member appointed under**
9 **section 16(c) of this chapter to represent first purchaser**
10 **organizations becomes vacant before the expiration of the**
11 **member's term of office, the director shall fill the vacancy by**
12 **appointing a replacement member who represents a first**
13 **purchaser organization. The appointee shall serve for the**
14 **remainder of the unexpired term.**

15 (d) **When an appointed council member's office representing the**
16 **general assembly becomes vacant before the expiration of the**
17 **member's term of office, the commissioner of agriculture shall fill**
18 **the vacancy by appointing a replacement member who represents**
19 **the general assembly and is a member of the same political party**
20 **as the appointed council member who vacated the office. The**
21 **appointee shall serve for the remainder of the unexpired term.**

22 SECTION 7. IC 15-4-10-16 IS AMENDED TO READ AS
23 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 16. **(a)** One (1) council
24 member shall be elected from each of the following districts:

25 DISTRICT 1. The counties of Lake, Newton, Jasper, ~~and~~ Benton,
26 ~~DISTRICT 2: The counties of~~ Porter, LaPorte, Starke, White, and
27 Pulaski.

28 DISTRICT ~~3:~~ **2.** The counties of St. Joseph, Elkhart, Marshall,
29 Kosciusko, ~~and~~ Fulton,

30 ~~DISTRICT 4: The counties of~~ Carroll, Cass, Miami, and Wabash.

31 DISTRICT ~~5:~~ **3.** The counties of LaGrange, Steuben, Noble,
32 Dekalb, Whitley, Allen, Huntington, Wells, and Adams.

33 DISTRICT ~~6:~~ **4.** The counties of Montgomery, Fountain, Warren,
34 ~~and~~ Tippecanoe,

35 ~~DISTRICT 7: The counties of~~ Vermillion, Parke, Putnam, Vigo,
36 Clay, and Owen.

37 DISTRICT ~~8:~~ **5.** The counties of Clinton, Boone, Tipton, Howard,
38 ~~and~~ Grant,

~~DISTRICT 9: The counties of~~ Hamilton, Madison, Hendricks,
Marion, Hancock, Morgan, ~~and~~ Johnson,

~~DISTRICT 10: The counties of~~ Shelby, Rush, Bartholomew, and
Decatur.

~~DISTRICT 11: 6.~~ The counties of Blackford, Jay, Delaware,
Henry, Randolph, Wayne, Fayette, and Union.

~~DISTRICT 12: 7.~~ The counties of Sullivan, Greene, Knox,
Davies, ~~and~~ Martin,

~~DISTRICT 13: The counties of~~ Gibson, Pike, Dubois, Posey,
Vanderburgh, Warrick, and Spencer.

~~DISTRICT 14: 8.~~ The counties of Monroe, Brown, Lawrence,
Jackson, Orange, Washington, Perry, Crawford, Harrison, and
Floyd.

~~DISTRICT 15: 9.~~ The counties of Franklin, Jennings, Jefferson,
Ripley, Dearborn, Ohio, Clark, Switzerland, and Scott.

DISTRICT 10. All counties in Indiana.

**(b) The dean of the school of agriculture at Purdue University
or the dean's designee shall serve as an ex officio member of the
council.**

**(c) The director shall appoint two (2) representatives of first
purchaser organizations to serve as members of the council.**

**(d) The commissioner of agriculture shall appoint two (2)
members of the general assembly to serve as members of the
council. These appointed members shall at all times be members of
different political parties. Notwithstanding any other law, the
members appointed under this section are entitled to receive the
per diem of members of the general assembly for time spent in
attendance at the meetings of the council. Per diem of these
members shall be paid by the council upon approval of the
director.**

SECTION 8. IC 15-4-10-18 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 18. (a) The ballot for
the election of a district council member must bear the name of each
producer who:

(1) meets the qualifications set forth in section 12(b) of this
chapter; and

(2) files with the director, before June 16 of the year of the
election, a petition in support of candidacy signed by ~~seventy-five~~

1 ~~(75)~~ **ten (10)** other producers who reside in the district.

2 (b) The director shall provide petition forms upon request and shall
3 make forms available at cooperative extension service offices located
4 in the district. The director shall determine the position of names on the
5 ballot by drawing lots and shall provide the producers who have
6 qualified to have their names on the ballot with advance notice of the
7 time and place of the drawing.

8 (c) No names other than the names of the producers who have
9 qualified under this subsection may be printed on the ballot by the
10 director. A name may not be written in on the ballot by a producer.

11 SECTION 9. IC 15-4-10-22 IS AMENDED TO READ AS
12 FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 22. **(a)** The council
13 shall do the following:

14 (1) Elect a chairman, vice chairman, secretary, treasurer, and
15 other officers the council considers necessary.

16 (2) Employ personnel and contract for services that are necessary
17 for the proper implementation of this chapter.

18 (3) Establish accounts in adequately protected financial
19 institutions to receive, hold, and disburse funds accumulated
20 under this chapter.

21 (4) Bond the treasurer and such other persons as necessary to
22 ensure adequate protection of funds received and administered by
23 the council.

24 (5) Authorize the expenditure of funds and the contracting of
25 expenditures to conduct proper activities under this chapter.

26 (6) Annually establish priorities and prepare and approve a budget
27 consistent with the estimated resources of the council and the
28 scope of this chapter.

29 (7) Provide for an independent audit and make the results of the
30 audit available to all interested persons.

31 (8) Annually publish, at the same time as the results of the audit,
32 an activities and financial report, present this report to the budget
33 agency and the budget committee, and make this report available
34 to all interested persons.

35 (9) Procure and evaluate data and information necessary for the
36 proper implementation of this chapter.

37 (10) Formulate and execute assessment procedures and methods
38 of collection.

~~(11) Establish procedures to refund to a producer any assessment paid by the producer if the producer requests a refund.~~

~~(12)~~ **(11)** Receive and investigate, or cause to be investigated, complaints and violations of this chapter and take necessary action within its authority.

~~(13)~~ **(12)** Take any other action necessary for the proper implementation of this chapter.

(b) Eight (8) affirmative votes are required for the council to take action.

SECTION 10. IC 15-4-10-24 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 24. (a) The council shall pay all expenses incurred under this chapter with money from the assessments remitted to the council under this chapter. ~~by first purchasers:~~

(b) The council may invest all money it receives under this chapter, including assessments, gifts, and grants, in any way allowed by law for public funds.

(c) The council may expend money from assessments and from investment income not needed for expenses for the purpose of market development.

(d) The council may not use money received, collected, or accrued under this chapter for any purpose other than the implementation of this chapter.

(e) The council may not expend more than ten percent (10%) of the money it receives under this chapter for administrative expenses.

SECTION 11. IC 15-4-10-26 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 26. (a) Except as provided in subsection ~~(b)~~ **(c)** concerning seed corn, an assessment of ~~one-half cent (\$0.005)~~ **one-half of one percent (0.5%) of the sale price** per bushel is ~~imposed~~ **permitted** on all corn grown and sold in Indiana. The assessment may be imposed and collected on a quantity of corn only once, **and shall be collected by the first purchaser unless the producer exercises the option under subsection (b) to be excluded from the assessment.** The rate of the assessment imposed by this section may be increased only by the general assembly.

(b) In conjunction with the producer's first settlement with the first purchaser after June 30, 2001, the first purchaser shall make

1 available to the producer the form the producer may use to
 2 exercise the option to be excluded from the assessment. The form
 3 must inform the producer of the option to be excluded. If the
 4 producer desires to be excluded from the assessment, the producer
 5 shall complete and sign a form, in writing, indicating the
 6 producer's desire to be excluded from the assessment permitted by
 7 subsection (a). The first purchaser shall keep a record of each
 8 producer's desire to be excluded from the assessment, as indicated
 9 on the completed form. A form completed by a producer shall
 10 remain in effect until repealed in writing by the producer and
 11 delivered to the first purchaser. The office of the commissioner of
 12 agriculture shall prescribe the form to be used under this
 13 subsection and distribute the form to the first purchaser before
 14 July 1, 2001. The council shall reimburse the office of the
 15 commissioner of agriculture for the costs of preparation and
 16 distribution of the forms required by this subsection from the
 17 funds the council receives under this chapter.

18 ~~(b)~~ (c) An assessment of ~~one-half cent (\$0.005)~~ per bag one dollar
 19 (\$1) per unit is imposed on all seed corn sold in Indiana by a
 20 qualified seed retailer who sold more than fifty thousand (50,000)
 21 units of seed corn in the previous calendar year. An assessment of
 22 fifty cents (\$0.50) per unit is imposed on all seed corn sold in
 23 Indiana by a qualified seed retailer who sold more than ten
 24 thousand (10,000) units but less than fifty thousand one (50,001)
 25 units of seed corn in the previous calendar year. The assessment on
 26 a quantity of seed corn shall be collected and remitted by the
 27 qualified seed retailer. For purposes of this chapter, a qualified
 28 seed retailer of a quantity of seed corn is the owner of that seed
 29 corn when the seed corn is sold at the first point of sale. is imposed
 30 on all seed corn sold in Indiana. The assessment on a quantity of seed
 31 corn shall be collected and remitted by the seed retailer. For the
 32 purposes of this chapter, the retailer of a quantity of seed corn is the
 33 first purchaser of that seed corn.

34 ~~(c)~~ The (d) If the producer does not indicate the desire to be
 35 excluded from the assessment permitted under subsection (a) by
 36 following the procedure described in subsection (b), the first
 37 purchaser of a quantity of corn shall deduct the assessment on the corn
 38 from the sum of money to be paid to the producer based on the sale of

the corn. A first purchaser shall accumulate assessments collected under this subsection throughout each of the following periods:

- (1) January, February, and March.
- (2) April, May, and June.
- (3) July, August, and September.
- (4) October, November, and December.

~~(d)~~ (e) At the end of each period, the first purchaser shall remit to the council all assessments collected during the period. A first purchaser who remits all assessments collected during a period within fifteen (15) days after the end of the period is entitled to retain three percent (3%) of the total of the assessments as a handling fee.

(f) The assessment collected under subsection (c) shall be remitted to the council twice yearly. Assessments collected beginning January 1 through June 30 of each year shall be remitted to the council by August 14 of that year. Assessments collected beginning July 1 through December 31 shall be remitted to the council by February 14 of the following year. A qualified seed retailer who remits all assessments collected during a period within fifteen (15) days after the end of the period is entitled to retain three percent (3%) of the total assessments as a handling fee for assessments remitted.

(g) The authority to collect assessments under subsections (a) and (c) expires July 1, 2006.

SECTION 12. IC 15-4-10-27 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 27. (a) A first purchaser **and a qualified seed retailer** shall keep detailed records of all assessments collected and remitted under this chapter.

(b) Upon request, a first purchaser **and a qualified seed retailer** shall supply the council with any information from records kept under subsection (a).

SECTION 13. IC 15-4-10-30 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2001]: Sec. 30. (a) If a first purchaser **or a qualified seed retailer** fails to remit the assessments collected during a period defined in section ~~26(e)~~ **26** of this chapter within forty-five (45) days after the end of the period, the council shall contact the first purchaser **or the qualified seed retailer** and allow the first purchaser **or the qualified seed retailer** to present comments to the council concerning:

- (1) the status and amount of the assessments due; and
- (2) any reasons why the council should not bring legal action against the first purchaser **or the qualified seed retailer**.

(b) After allowing a first purchaser **or a qualified seed retailer** the opportunity to present comments, the council:

- (1) shall adjust the amount of the assessments due, if the first purchaser's **or qualified seed retailer's** comments reveal that the council's figure is inaccurate; and
- (2) may assess a penalty against the first purchaser **or qualified seed retailer** of no more than ten percent (10%) of the amount of any assessments not remitted within forty-five (45) days after the end of the period.

(c) If a first purchaser **or a qualified seed retailer** fails to remit assessments after being allowed to present comments under subsection (a) or to pay any penalty assessed under subsection (b), the council may bring a civil action against the first purchaser **or the qualified seed retailer** in the circuit, superior, or municipal court of any county. The action shall be tried and a judgment rendered as in any other proceeding for the collection of a debt. In an action under this subsection, the council may obtain:

- (1) a judgment in the amount of all unremitted assessments and any unpaid penalty; and
- (2) an award of the costs of bringing the action.

SECTION 14. THE FOLLOWING ARE REPEALED [EFFECTIVE MAY 15, 2001]: IC 15-4-10-28; IC 15-4-10-29.

SECTION 15. [EFFECTIVE MAY 15, 2001] (a) **The definitions in IC 15-4-10 apply to this SECTION.**

(b) **Notwithstanding IC 15-4-10-17, before June 1, 2001, the director shall notify producers of each district of the impending initial election and the procedure and deadlines to have a producer's name printed on the ballot by:**

- (1) publishing a notice in a statewide agricultural publication;
- (2) publishing a notice in a newspaper of general circulation in each county; and
- (3) making the information available to the news media in each district.

(c) **Notwithstanding IC 15-4-10-13, as amended by this act, the initial terms of office for council members are as follows:**

- 1 **(1) Council members from district 1, district 4, district 7, and**
 - 2 **district 10 serve terms of three (3) years.**
 - 3 **(2) Council members from district 2, district 5, and district 8**
 - 4 **serve terms of two (2) years.**
 - 5 **(3) Council members from district 3, district 6, and district 9**
 - 6 **serve terms of one (1) year.**
 - 7 **(4) One (1) council member appointed under IC 15-4-10-16(c),**
 - 8 **as added by this act, serves a term of three (3) years.**
 - 9 **(5) One (1) council member appointed under IC 15-4-10-16(c),**
 - 10 **as added by this act, serves a term of two (2) years.**
 - 11 **(d) This SECTION expires September 2, 2003."**
 - 12 Renumber all SECTIONS consecutively.
- (Reference is to SB 456 as printed February 9, 2001.)

and when so amended that said bill do pass.

Representative Lytle